

TOWN OF NANTUCKET FISCAL YEAR 2009 GENERAL FUND BUDGET OVERVIEW TO DATE

December 5, 2007

for

Board of Selectmen,
Finance & School
Committees

2007-2008 BOS Goals

1. *Improve Administrative Management*
2. *Improve Fiscal Management: established guideline of FY 09 operating budget increase to match estimated revenue projection*
3. *Improve Infrastructure*
4. *Improve and Protect Our Water*
5. *Enhance Quality of Life for Residents and Visitors*
6. *Address Housing*
7. *Manage Growth*

Nature of Projections

- Projections are made regarding future events, using the best information available at the time, and using stated assumptions.
- Projections are updated regularly, replacing assumptions or estimates as more up-to-date information becomes available.
- Revenue estimates are final when the tax recap is approved by the state.

First 2009 Projection was in August; changes since then include:

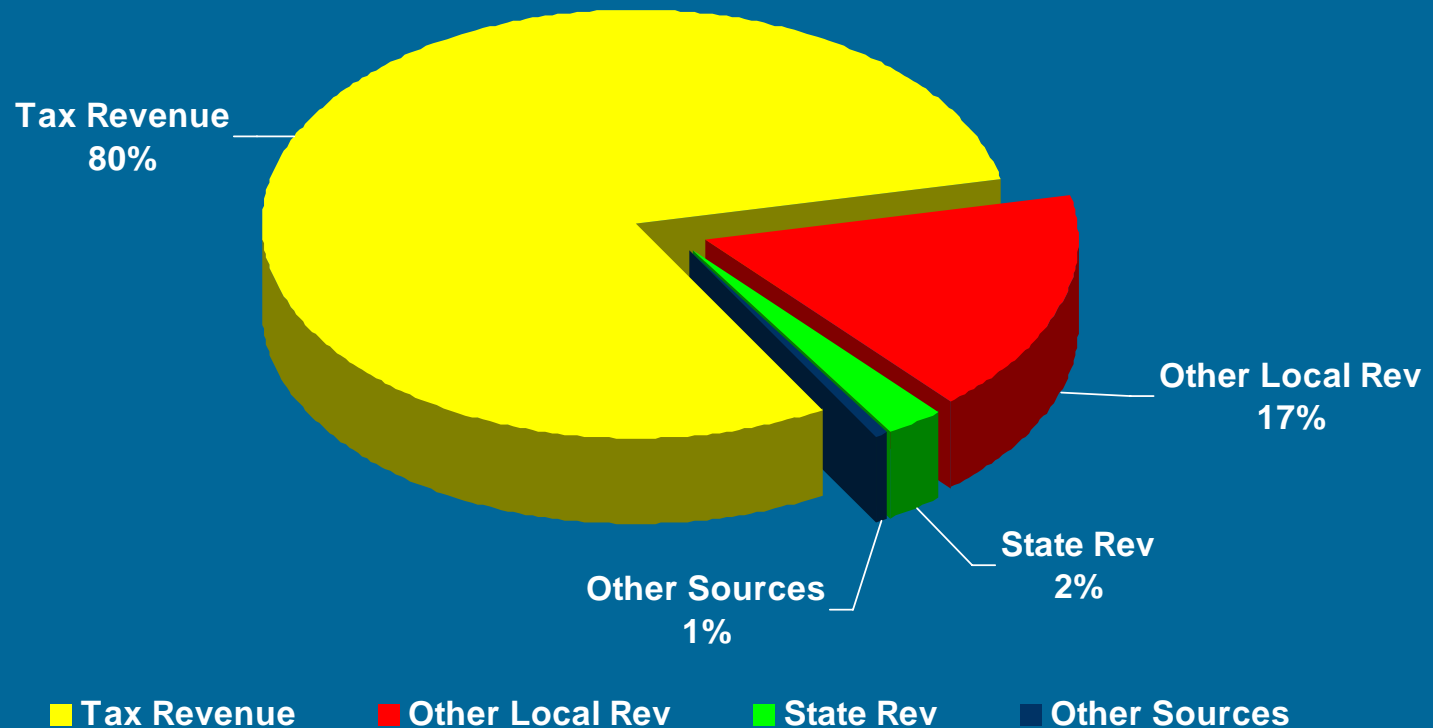
- Slight increase in expense estimate
- School Administration and School Committee have provided preliminary figures from their budget process
- Expense increase requests from town have been submitted
- Significant large expenditure amounts are still estimates, e.g., health insurance, BCRP

Total Revenue & Expenditures

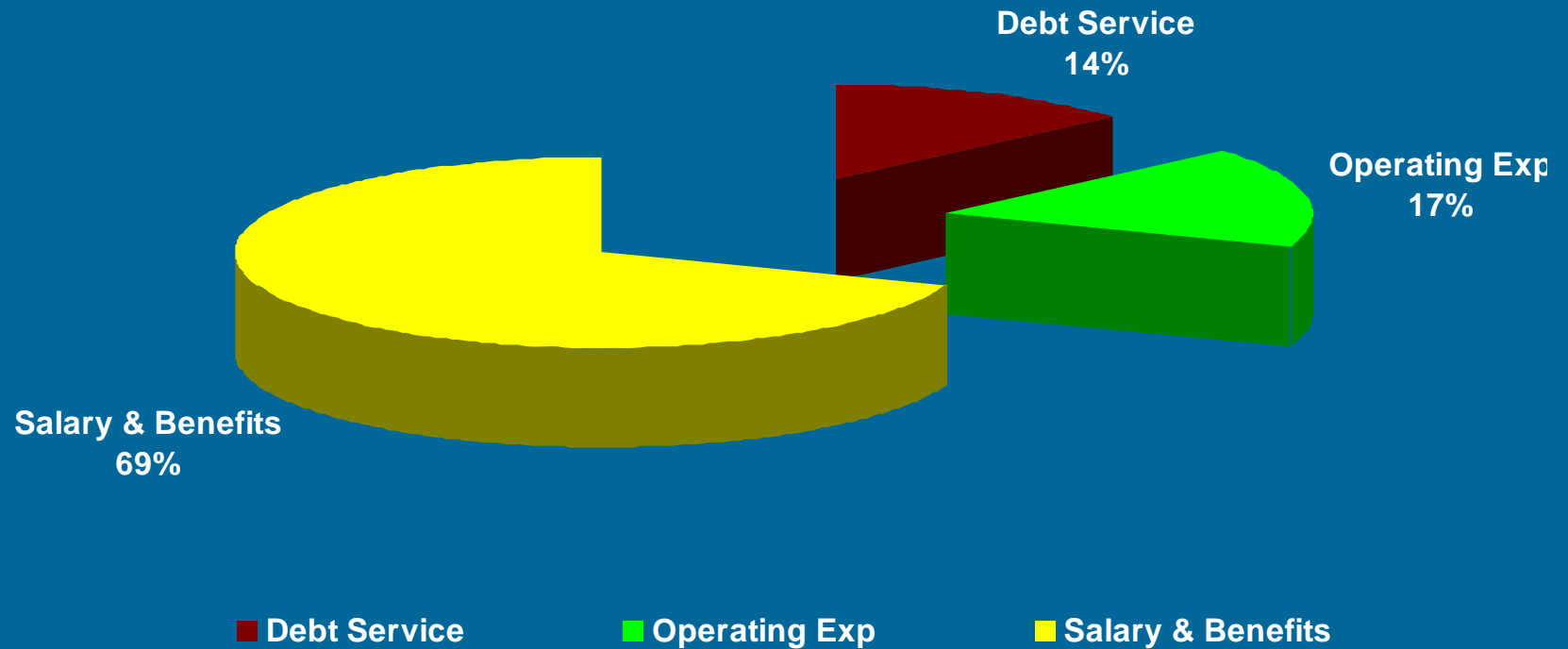
December 5, 2007 summary

	2006	2007	2008	2009
Totals	actual	actual	budget	<i>projection</i>
Revenue & other sources	63,157,932	68,016,036	72,505,891	74,022,000
Expenditures & other uses	60,968,674	66,531,926	72,505,891	74,134,000
Net/(gap)	2,189,258	1,484,110	0	(112,000)*
Operating Expense Increase Submission, town & school				(6,496,938)
Total gap plus all operating expense increase submissions:				(6,608,938)
*Net gap in 2009 projection due to FY09 School Committee analysis indicating School salaries are in excess of \$112,000 over original projection.				

FY09 Projected Total Revenue & Other Sources



Article 8 – FY09 Projection



Expenditures – Salary & Benefits

	2006	2007	2008	2009
	Actual	Actual	Budgeted	<i>Projected</i>
Subtotal Sal	28,607,599	30,363,488	34,052,060	35,867,000
Health Ins.	7,301,902	7,961,576	8,617,000	9,000,000
BCRP (ret)	2,761,460	3,058,753	3,346,353	3,600,000
Subtotal	38,670,961	41,383,817	46,015,413	48,467,000

Personnel Projection

FTE	2007 Actual	2008 Budget	2009 <i>Projection*</i>	% of <i>Total</i>
Town	276.3	271.4	269.8	45.5%
School	258.8	258.8	258.8	43.6%
Enterprise	60.2	62.5	64.8	10.9%
Total FTE's	595.3	592.7	593.4	100.0%

Source: Munis System

*FY09 Projection w/o expense increase submissions

Operating Expense Increase Requests – Town

Total of Submitted Operating Expense Increase

Requests:	\$6,496,938
Operating expense requests:	\$2,337,090
New payroll requests:	\$4,159,848

Expense Increase Request Information

- Total of 82 requests, from 22 departments, agencies or accounts
- Minimum \$1,500; maximum \$3,207,000; second largest \$720,000
- Personnel-related requests: 19
- New or replacement equipment requests: 13
- Maintenance/repair requests: 12
- Fixed expense related requests: 12
- Discretionary expenses: 10
- Professional services requests: 8
- Technology: 5
- Education/training: 2
- Other: 1

Expense Increase Requests, More Information

- 34 one-time requests = \$1,151,400
- 48 recurring requests = \$5,345,538
- 23 BOS goal-related requests = \$4,613,350
 - Rest of items are equipment replacements; new equipment; fixed cost increases; new positions, professional services for mandated or other purposes

Expense Increase Requests/Personnel-related Information

- 7 requests to add permanent full-time positions, total \$550,000
- 8 requests to add part time, temporary, or seasonal positions and/or increase from PT to FT, add on-call pay, total \$240,948
- 2 requests for OT increase, reduce transfer from another fund, total \$161,900
- 1 “other” request = \$3,207,000 (GASB 45)

FY 09 Capital Project Requests as recommended by BOS


- Bike Paths, Sidewalks = \$21,540
- Buildings = \$27,980,000
- Non-building Assets = \$200,000
- Road Improvements = \$1,180,000
- Vehicles & Equipment = \$840,000
- School = \$2,635,000
- Less alt funding sources of \$240,000
- TOTAL = \$32,616,540

Next Steps

- Dec 12: Town Administration presentation of proposed FY 09 general fund budget
- Dec 19: BOS review of FY 09 General Fund budget
- Dec 26: BOS continued review of FY 09 General Fund budget
- Jan 2: BOS adoption of FY 09 General Fund budget
- Jan 7: BOS presentation of FY 09 General Fund budget to FinCom
- Jan 16: BOS review of FY 09 Solid Waste & Sewer Enterprise Fund budgets
- Jan – Feb: FinCom meetings re: budgets, warrant articles
- Feb 13: Budget status meeting with BOS, FinCom and School Comm at BOS mtg
- Feb 28: FinCom adoption of warrant article recommendations, including budget
- *ALSO: Union negotiations for several Town and School contracts are on-going*

TOWN OF NANTUCKET FISCAL YEAR 2009 BUDGET OVERVIEW TO DATE

Detailed Information
As of
December 5, 2007



Total Revenue and Other Resources

	2006 Actual	2007 Actual	2008 Budget	2009 Projected
Tax revenue	46.7	51.2	55.8	59.3
Other local revenue	12.2	11.8	12.5	12.5
State Revenue	1.1	1.5	1.8	1.8
Other sources	3.1	2.8	2.4	0.4
Total Revenue & other sources	63.1	67.3	72.5	74.0

Tax Revenue

	2006	2007	2008	2009
Prior levy limit	38,470,099	41,396,487	45,989,176	48,319,787
+ 2.5 %	961,752	1,034,912	1,149,729	1,207,995
+ override	495,000	2,186,588	0	0
+ new growth	1,439,229	1,371,189	1,180,881	1,148,000
= levy limit	41,366,080	45,989,176	48,319,787	50,675,781
Exempt debt	6,254,803	6,102,414	8,060,515	9,209,318
Total tax levy	47,620,883	52,091,590	56,380,302	59,885,099
Abatement all.	-914,316	-924,383	-389,568	-577,000
Net available	46,706,567	51,167,207	55,830,437	59,308,000
Res. tax rate	2.83	2.50	2.67	<i>Estimated 2.69</i>
Levy ceiling	411.9 million	509.6 million	515.6 million	<i>541.4 million</i>

Other Local Revenue

	2006 Actual	2007 Actual	2008 Budget	2009 <i>Projected</i>
Our Island Home	3,081,245	3,274,703	3,391,000	3,457,000
Excise taxes	3,796,373	3,421,859	3,533,000	3,602,000
Licenses & permits	1,579,218	1,445,318	1,483,000	1,513,000
Fees, rentals, interest	1,340,735	1,388,093	1,438,000	1,466,000
Fines, forfeits, penalties	637,724	808,139	885,000	903,000
Other	917,008	552,767	290,000	296,000
Misc-recurring	817,450	839,505	1,215,000	1,264,000
Non-recurring (OIH)	7,860	80,704	0	0
Total Local Revenue	12,177,613	11,811,088	12,508,200	12,501,000

State Revenue

- Ch. 70 and other school-related aid
- Lottery
- Police career incentive (“Quinn bill”)
- Library assistance
- State-owned land

	2006 Actual	2007 Actual	2008 Budget	2009 <i>Projected</i>
State Revenue	1,099,752	1,538,424	1,765,354	1,783,000

Expenditures – Salary

	2006	2007	2008	2009
	Actual	Actual	Budgeted	<i>Projected</i>
Town Salary	14,401,206	15,271,986	16,976,865	17,877,000
School Salary	14,206,392	15,091,502	16,854,195	17,809,000*
Allowance for contractual changes, town			221,000	181,000
Subtotal	28,607,599	30,363,488	34,052,060	35,867,000

*Per School Committee Analysis provided on 11/19/2007 at Ad Hoc budget meeting prior to expense increase submissions

Expenditures – non salary

	2006	2007	2008	2009
	actual	actual	budget	<i>projected</i>
Op Ex Town	5,505,771	5,848,111	5,884,460	6,002,000
Op Ex School	3,776,399	4,110,998	4,009,726	4,090,000
General Insurance	715,532	844,863	1,199,000	1,355,000
General fund to community school	310,000	310,000	310,000	310,000
Subtotal	10,307,702	11,113,972	11,403,186	11,757,000

Town: level funded for this presentation; expense increase submissions are shown in subsequent slides

School: This is before “new requests/savings” figures presented at subsequent slide

Debt Service Expenditures

	2006	2007	2008	2009
	Actual	Actual	Budget	<i>Projected</i>
Non-excluded debt	154,978	258,782	1,129,671	319,682
Excluded debt (overrides)	5,880,382	6,501,648	7,962,329	9,209,318
Total Debt Service Paid / Budgeted	6,035,360	6,760,430	9,092,000	9,529,000
Reserved for subsequent year	374,421	0	<i>TBD</i>	0
Paid from prior year reserve	0	374,421	0	<i>TBD</i>

Note: Fiscal 2009 excluded amounts may be adjusted based on debt issuance and approvals for capital.

Article 8 Pro-forma Totals

	2006	2007	2008	2009
	actual	actual	Budget	<i>projected</i>
Salary & Benefits	38,670,961	41,185,817	46,015,413	48,467,000
Operating Expenses	10,307,701	11,113,972	11,403,186	11,757,000
Debt Service	6,035,360	6,760,430	9,092,000	9,529,000
Article 8 Total	55,014,022	59,060,219	66,510,599	69,753,000

Expenditures – Assessments, Other Articles, Deficits and Transfers

	2006	2007	2008	2009
	actual	actual	budget	<i>Projected</i>
To Enterprise Fund	1,900,000	3,889,477	2,716,000	2,784,000
State	340,372	347,745	362,130	381,000
County	100,000	100,000	100,000	100,000
Reserve Fund *	0	0	425,000	500,000
Article 9 Human Svcs	330,635	331,000	331,000	331,000
Overlay / Deficits / unpd	496,823	257,486	26,608	160,000
To Stabilization Fund	1,200,000	700,000	600,000	100,000
Subtotal, this page	4,367,830	5,625,708	4,560,738	4,356,000

* No expenses from reserve fund, budgets were \$710,000 and \$500,000. Amounts are transferred to other budgets, by finance committee vote.

Reserve Fund Transfers

	2005	2006	2007	2008	2009
Budget	710,000	700,000	500,000	425,000	500,000
transfers	669,375	700,000	500,000	TBD	<i>TBD</i>
2005: school department, town gas, restore fire position, professional services, retirement assessment, snow & ice deficit					
2006: OIH expense shortfalls, school expense shortfalls, utilities, bldg repairs					
2007: Legal settlement, Public Buildings shortfall, Town Gas shortfall, Fire Dept Aerial Lift, OIH Security Alarm System, other miscellaneous expenses					

Capital funded from “raise & appropriate & other resources”

	2006 actual	2007 actual	2008 budget	2009 <i>projected</i>
Override vote	495,000	0	0	
Free cash	924,000	1,648,000	231,464	<i>later</i>
Release of Excess Overlay	0	0	928,036	
From revenue	167,821	0	221,000	
Total	1,586,821	1,648,000	1,380,500	<i>later</i>

Total Expenditures from “Raise & Appropriate”

	2006	2007	2008	2009
	actual	actual	budget	<i>projected</i>
Article 8	55,014,022	59,258,219	66,510,599	69,753,000
Solid Waste	1,900,000	3,889,477	2,716,000	2,784,000
Assessments & other articles	2,467,830	1,736,231	1,898,792	1,597,000
Capital	1,586,821	1,648,000	1,380,500	<i>Later</i>
Total	60,968,674	66,531,926	72,505,891	74,134,000